



Legislation Text

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170173
SUBSTITUTE 1

ALD. DONOVAN, BORKOWSKI, JOHNSON, WITKOWSKI, BOHL, RAINEY, HAMILTON, ZIELINSKI, STAMPER AND LEWIS

Substitute resolution directing the Department of City Development to facilitate creation of a business cooperative providing basic goods and services to major Milwaukee employers and institutions.

This resolution directs the Department of City Development to facilitate the creation of a business cooperative on the City of Cleveland's Evergreen Cooperative model. Cleveland created Evergreen Cooperative - a collection of cooperative businesses that provide jobs to residents looking for jobs and provide goods and services to area employers and institutions. The cooperative businesses also offer workers shares in the companies and a path to homeownership through a home-buying program.

Whereas, Milwaukee's manufacturing sector has suffered a swift, precipitous decline; and

Whereas, High poverty and large numbers of Milwaukee residents, especially African-American residents, find it difficult to find jobs or own homes; and

Whereas, High poverty neighborhoods are plagued by crime; and

Whereas, The homeownership rate for African-Americans in Milwaukee is 29% compared to 68% for white residents; and

Whereas, From 1970 to 2015, the unemployment rate for whites in Milwaukee increased from 3% to 6%, while the unemployment rate for African-Americans increased from 8% to 18%, with the gap between the two groups growing from 5% to 12%, resulting in African-American unemployment being approximately triple the number that it is for whites in Milwaukee; and

Whereas, The unemployment rate for African-American men in Milwaukee is even more severe at nearly 50%, which is approximately twice the rate that the nation suffered during the Great Depression; and

Whereas, In 61 of Milwaukee's 210 census tracts, at least 40% of the population lives in poverty; and

Whereas, Milwaukee's current jobs programs focus on job training rather than on creating jobs; and

Whereas, The City of Cleveland has experienced similar socioeconomic challenges and statistics to Milwaukee; and

Whereas, Cleveland created Evergreen Cooperative, a group of businesses that help residents of seven poor neighborhoods find jobs, build stability, and buy houses; and

Whereas, Evergreen Cooperative businesses offer goods and services to local institutions, such as hospitals and universities; and

Whereas, Evergreen Cooperative draws its workforce from poor neighborhoods, where the unemployment rate is 24% or higher; and

Whereas, Large Cleveland institutions agree to infuse their purchasing power into the Cooperative's neighborhood companies rather than outsourcing it, and the companies train and hire people who need jobs; and

Whereas, The Cooperative businesses encourage workers to buy shares in the company through payroll deductions; and

Whereas, The Cooperative businesses provide a path to homeownership by offering a home-buying program to workers to purchase City-renovated homes; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of City Development is directed to pursue creation of a business cooperative providing basic goods and / or services to major Milwaukee employers and institutions analogous to Cleveland's Evergreen Cooperative.

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Tea Norfolk
5/8/17